

Federal Acquisition Regulation

19.1005

(1) \$25,000 for construction, refuse systems and related services, non-nuclear ship repair, landscaping and pest control services; and

(2) \$50,000 for architectural and engineering services.

[54 FR 5055, Jan. 31, 1989, as amended at 65 FR 16276, Mar. 27, 2000; 65 FR 46056, July 26, 2000; 70 FR 11742, Mar. 9, 2005]

19.1003 Purpose.

The purpose of the Program is to—

(a) Assess the ability of small businesses to compete successfully in certain industry categories without competition being restricted by the use of small business set-asides. This portion of the program is limited to the designated industry groups listed in section 19.1005.

(b) Expand small business participation in 10 targeted industry categories through continued use of set-aside procedures, increased management attention, and specifically tailored acquisition procedures, as implemented through agency procedures.

(c) Measure the extent to which awards are made to a new category of small businesses (ESB's), and to provide for certain acquisitions to be reserved for ESB participation only. This portion of the program is also limited

to the designated industry groups listed in section 19.1005.

[54 FR 5055, Jan. 31, 1989, as amended at 55 FR 52792, Dec. 21, 1990; 63 FR 9057, Feb. 23, 1998; 65 FR 16276, Mar. 27, 2000; 70 FR 11742, Mar. 9, 2005]

19.1004 Participating agencies.

The following agencies have been identified as participants in the demonstration program:

The Department of Agriculture.

The Department of Defense, except the National Imagery and Mapping Agency.

The Department of Energy.

The Department of Health and Human Services.

The Department of Interior.

The Department of Transportation.

The Department of Veterans Affairs.

The Environmental Protection Agency.

The General Services Administration.

The National Aeronautics and Space Administration.

[54 FR 5055, Jan. 31, 1989, as amended at 54 FR 29281, July 11, 1989; 55 FR 38516, Sept. 18, 1990; 63 FR 58602, Oct. 30, 1998]

19.1005 Applicability.

(a) *Designated industry groups.*

NAICS code	NAICS description
1. Construction (Except Dredging) Subsector 236—Construction of Buildings	
236115	New Single-Family Housing Construction (except Operative Builders).
236116	New Multi-Family Housing Construction (except Operative Builders).
236117	New Housing Operative Builders.
236118	Residential Remodelers.
236210	Industrial Building Construction.
236220	Commercial and Institutional Building Construction.
Subsector 237—Heavy and Civil Engineering Construction	
237110	Water and Sewer Line and Related Structures Construction.
237120	Oil and Gas Pipeline and Related Structures Construction.
237130	Power and Communication Line and Related Structures Construction.
237210	Land Subdivision.
237310	Highway, Street, and Bridge Construction.
237990	Other Heavy and Civil Engineering Construction (except dredging).
Subsector 238—Specialty Trade Contractors	
238110	Poured Concrete Foundation and Structure Contractors.
238120	Structural Steel and Precast Concrete Contractors.
238130	Framing Contractors.
238140	Masonry Contractors.
238150	Glass and Glazing Contractors.
238160	Roofing Contractors.
238170	Siding Contractors.
238190	Other Foundation, Structure, and Building Exterior Contractors.
238210	Electrical Contractors.
238220	Plumbing, Heating, and Air-Conditioning Contractors.

NAICS code	NAICS description
238290	Other Building Equipment Contractors.
238310	Drywall and Insulation Contractors.
238320	Painting and Wall Covering Contractors.
238330	Flooring Contractors.
238340	Tile and Terrazzo Contractors.
238350	Finish Carpentry Contractors.
238390	Other Building Finishing Contractors.
238910	Site Preparation Contractors.
238990	All Other Specialty Trade Contractors.
2. Non-Nuclear Ship Repair	
336611	Ship Building and Repairing.
PSC J998	Non-nuclear Ship Repair (East) Ship Repair (including overhauls and conversions) performed on non-nuclear propelled and nonpropelled ships east of the 108th meridian.
PSC J999	Non-nuclear Ship Repair (West) Ship Repair (including overhauls and conversions) performed on non-nuclear propelled and nonpropelled ships west of the 108th meridian.
3. Architectural and Engineering Services (Including Surveying and Mapping)	
541310	Architectural Services or;
541330	Engineering Services.
PSC C111	Administrative and Service Buildings.
PSC C112	Airfield, Communication and Missile Facilities.
PSC C113	Educational Buildings.
PSC C114	Hospital Buildings.
PSC C115	Industrial Buildings.
PSC C116	Residential Buildings.
PSC C117	Warehouse Buildings.
PSC C118	Research and Development Facilities.
PSC C119	Other Buildings.
PSC C121	Conservation and Development.
PSC C122	Highways, Roads, Streets, Bridges and Railways.
PSC C123	Electric Power Generation (EPG).
PSC C124	Utilities.
PSC C129	Other Non-Building Structures.
PSC C130	Restoration.
PSC C211	Architect-Engineering Services (including landscaping, interior layout, and designing).
PSC C212	Engineering Drafting Services.
PSC C213	A&E Inspection Services (non-construction).
PSC C214	A&E Management Engineering Services.
PSC C215	A&E Production Engineering Services (including Design and Control, and Building Programming).
PSC C216	Marine Architect and Engineering Services.
PSC C219	Other Architect and Engineering Services.
541360	Geophysical Surveying and Mapping Services or;
541370	Surveying and Mapping (except Geophysical) Services.
PSC T002	Cartography Services.
PSC T004	Charting Services.
PSC T008	Photogrammetry Services.
PSC T009	Aerial Photographic Services.
PSC T014	Topography Services.
PSC R404	Land Surveys, Cadastral Services (non-construction).
4. Refuse Systems and Related Services	
562111	Solid Waste Collection or;
562119	Other Waste Collection or;
562219	Other Nonhazardous Waste Treatment and Disposal.
PSC S205	Trash/Garbage Collection Services—including Portable Sanitation Services.
5. Landscaping and Pest Control Services	
561710	Exterminating and Pest Control Services
561730	Landscaping Services

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(b) *Targeted industry categories.* Each participating agency, in consultation with the Small Business Administration, designates its own targeted industry categories for enhanced small business participation.

[55 FR 52792, Dec. 21, 1990, as amended at 59 FR 67036, Dec. 28, 1994; 64 FR 16276, Mar. 27, 2000; 65 FR 46056, July 26, 2000; 66 FR 65370, Dec. 18, 2001; 68 FR 43874, July 24, 2003; 70 FR 11742, Mar. 9, 2005]

19.1006 Exclusions.

This subpart does not apply to—

(a) Orders placed against Federal Supply Schedules;

(b) Contract awards to educational and nonprofit organizations; or

(c) Contract awards to governmental entities.

[65 FR 16276, Mar. 27, 2000]

19.1007 Procedures.

(a) *General.* (1) All solicitations must include the applicable NAICS code and size standards.

(2) The face of each award made pursuant to the program must contain a statement that the award is being issued pursuant to the Small Business Competitiveness Demonstration Program.

(b) *Solicitations greater than the ESB reserve amount.* (1) Solicitations for acquisitions in any of the designated industry groups that have an anticipated dollar value greater than the emerging small business reserve amount must not be considered for small business set-asides under subpart 19.5. However, agencies may reinstate the use of small business set-asides as necessary to meet their assigned goals, but only within organizational units that failed to meet the small business participation goal.

(2) Acquisitions in the designated industry groups must continue to be considered for placement under the 8(a) Program (*see* Subpart 19.8), the HUBZone Program (*see* Subpart 19.13), and the Service-Disabled Veteran-Owned Small Business Procurement Program (*see* Subpart 19.14).

(c) *Solicitations equal to or less than the ESB reserve amount.* (1) Solicitations for acquisitions in the designated industry groups with an estimated value equal to or less than the emerging

small business reserve amount must be set aside for ESBs, provided that the contracting officer determines that there is a reasonable expectation of obtaining offers from two or more responsible ESBs that will be competitive in terms of market price, quality, and delivery. If no such reasonable expectation exists, the contracting officer must—

(i) For acquisitions \$25,000 or less, proceed in accordance with Subpart 19.5, 19.8, 19.13, or 19.14; or

(ii) For acquisitions greater than \$25,000 and less than or equal to the ESB reserve amount, proceed in accordance with paragraph (b) of this section.

(2) If the contracting officer proceeds with the ESB set-aside and receives a quotation from only one ESB at a reasonable price, the contracting officer must make the award. If there is no quote from an ESB, or the quote is not at a reasonable price, then the contracting officer must cancel the ESB set-aside and proceed in accordance with paragraph (c)(1)(i) or (ii) of this section.

(d) *Expanding small business participation in targeted industry categories.* Each participating agency must develop and implement a time-phased strategy with incremental goals, including reporting on goal attainment. To the extent practicable, provisions that encourage and promote teaming and joint ventures must be considered. These provisions should permit small business firms to effectively compete for contracts that individual small businesses would be ineligible to compete for because of lack of production capacity or capability.

[65 FR 16276, Mar. 27, 2000, as amended at 65 FR 46057, July 26, 2000; 69 FR 25278, May 5, 2004; 70 FR 11742, Mar. 9, 2005]

19.1008 Solicitation provisions.

(a) Insert in full text the provision at 52.219-19, Small Business Concern Representation for the Small Business Competitiveness Demonstration Program, in all solicitations in the designated industry groups.

(b) Insert in full text the provision at 52.219-20, Notice of Emerging Small Business Set-Aside, in all solicitations